

'Hero MotoCorp's new EVs to be PLI-compliant'

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New Delhi

Two-wheeler manufacturer Hero MotoCorp has said that all its upcoming electric vehicles (EVs) from Vida brand would benefit from the government's production linked incentive (PLI) scheme, which would bring positive results and profits to its EV business.

"We'll be replacing the current range with a new range of products. And for those, the PLI process is on... We are pretty confident that when we launch those ranges, which will start from October onwards, we will have the PLI compliance from October/November onwards," Niranjan Gupta, Chief Executive Officer, Hero MotoCorp, said in an analysts call recently post the first quarter (Q1) results.

He said the focus on EV is building leadership and expanding the category and building up scale and volume.

The company said it has crossed sales of 5,000 units in July and it would only be growing further within this year. "We have strong action happening on cost reduction in the bill of materials (BOM) costs, in manufacturing costs and plus, architectural changes which we are bringing, improvements which we are bringing in our portfolio. And sum total of all of that, you will see that



Niranjan Gupta, CEO,
Hero MotoCorp

we'll start moving closer and closer to profitability," Swadesh Srivastava, Chief Business Officer - Emerging Mobility Business Unit, Hero MotoCorp said.

He said the company's R&D, supply chain base and product and tech teams are trying to bring architectural improvements in the EV business.

"All of this, you'll see in the coming quarters...I just want to give you the assurance that all these actions are in place and they look very positive," Srivastava added.

SCOOTER LAUNCHES

Meanwhile, talking about overall business, Gupta said that Hero MotoCorp is gearing up to expand its scooter range and consolidate its position in the 125 cc bike segment as it looks to grow faster than the competition.

The company plans to roll out both petrol and electric scooter trims and also bolster the production capacity of 125 cc bike — Xtreme 125R—to cater to enhanced

demand. "There will be action on the scooters front and action will be big on both ICE (internal combustion engine) and EV side. The Destini (scooter) full-

body change will be unveiled very soon and then it will be followed by Xoom models - 125cc and 160cc - within this fiscal," Gupta said.